# World Construction Aggregates

Industry Study with Forecasts to **2007 & 2012** for **23 Countries and Six Regions**

STUDY #1669 | May 2003 | $4700


**The Freedonia Group**
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## World Construction Aggregates Industry Study with Forecasts to 2007 & 2012

Study #1669 • May 2003 • $4700 • 302 Pages

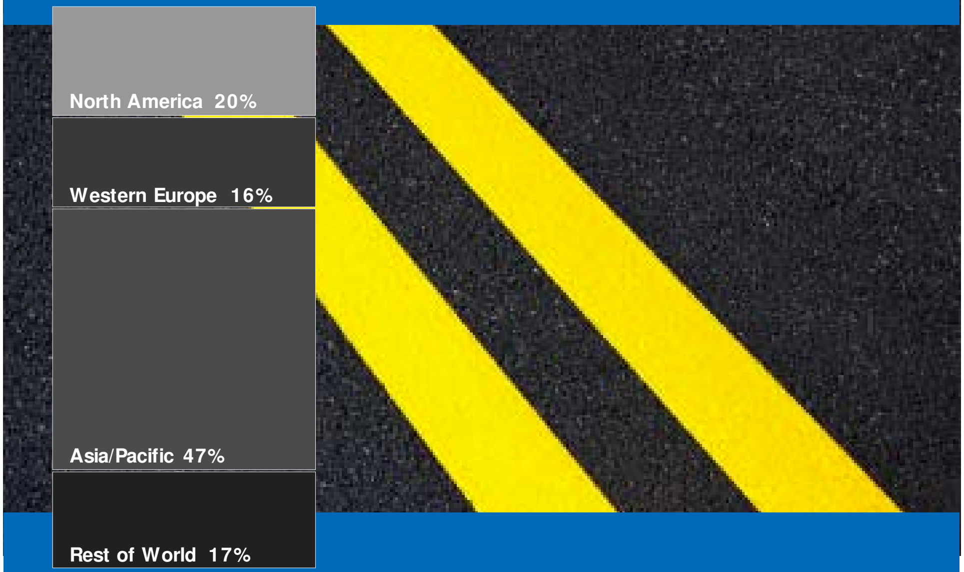
*China -- which is already the largest national market -- will record some of the strongest increases, with its aggregates demand reaching 5.7 million metric tons in 2007*

### Global demand to exceed 21 billion metric tons in 2007

Worldwide demand for construction aggregates is projected to rise 4.7 percent annually through 2007 to 21.7 billion metric tons, valued at $128 billion. China -- which is already the largest national market -- will record some of the strongest increases, with its aggregates demand reaching 5.7 million metric tons in 2007, accounting for one-quarter of the global total. A number of other countries -- including India, Poland, Russia, Taiwan, Thailand and Turkey -- will also register strong sales gains, fueled by an acceleration in infrastructure construction activity and industrialization.

The pace of growth will be less robust in the developed areas of the US, Japan and Western Europe. The physical infrastructures in these nations are well developed, and maintenance and repair construction will account for much of the increase in aggregates demand through 2007. Construction spending in Western Europe will pick up as economic conditions in the region improve, contributing to overall market gains, and Japanese aggregates demand will finally stabilize and begin to recover following an extended period of decline.

### World Construction Aggregates Demand by Region, 2002 (17.2 billion metric tons)




### Recycled, specialty types to grow fastest

Demand for recycled aggregate products like crushed concrete and glass, secondary aggregates such as fly ash and slag, and mined materials like clay and shale, will record the strongest gains through 2007. Advances will be spurred by environmental and land use concerns favoring recycled and secondary aggregate materials, and by rising demand for specialty products such as expanded clay and shale, which are used in applications like bridge decks, where light weight is of extreme importance.

### Nonresidential building to lead market gains

The nonresidential building market for construction aggregates is expected to be the fastest growing end-use segment. Increases will be driven by renewed strength in nonresidential building construction activity in developing parts of the world as industrialization efforts intensify. However, nonbuilding construction will continue to represent the biggest single market for aggregates, accounting for more than two-thirds of worldwide demand in 2007.

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# Letter From the CEO

Dear Colleague:

In challenging economic times, it is more important than ever to have credible industry information on which to base your business decisions.

At Freedonia, it is our mission to provide you with an unbiased, reliable outlook for each industry that we study. We carefully examine available sources, separate the wheat from the chaff, and distill an ocean of data into a concise presentation of where an industry stands today... and where it is going.

*At Freedonia, it is our mission to provide you with an unbiased, reliable outlook for each industry ...*

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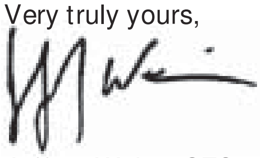
Very truly yours,



Jeffrey Weiss, CEO

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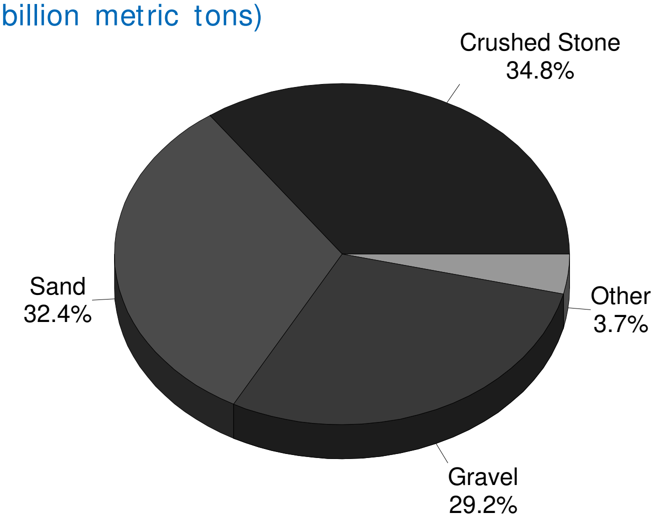
**World Construction Aggregates Demand by Product, 2002**
(17.2 billion metric tons)




## COMPANY PROFILES

**RMC Group plc**
RMC House
Coldharbour Lane, Thorpe
Egham, Surrey TW20 8TD
United Kingdom
44-1932-56-8833
http://www.rmc-group.com

RMC Industries Corporation
150 East Ponce de Leon Avenue, Suite 450
Decatur, GA 30030
404-371-1050
http://www.rmcindustries.com

Sales: $7.5 billion (2002, from continuing operations)
Geographic Sales: (2002, as percent of total) United Kingdom 23%, Germany 16%, Rest of Europe 27%, US 25% and Other Regions 8%
Employment: 31,795 (2002)

Key Products: sand, gravel, crushed limestone and granite, lightweight and marine aggregates, polished stone, decorative aggregates, rail ballast, rock armor and recycled aggregates

RMC was the sixth largest producer of construction aggregates worldwide in 2002, with a market share of just under one percent. The Company is active in the world aggregates industry through the Ready Mixed Concrete and Aggregates segment, which had 2002 sales

### World Construction Aggregates Demand by Market

| Item | 1992 | 1997 | 2002 | 2007 | 2012 |
|---|---|---|---|---|---|
| Construction Fixed Invest | | | | | |
| Nonbuilding | | | | | |
| Nonresidential Building | | | | | |
| Residential Building | | | | | |
| | | | | | |
| m tons aggregates/000$ | | | | | |
| m tons aggregates/000$ | | | | | |
| m tons aggregates/000$ | | | | | |
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| Constru | | | | | |

**SUPPLY & DEMAND**

The Supply and Demand Section analyzes trends and considers the threats and opportunities in the world market

**OTHER REGIONS**

### Poland: Construction Aggregates Demand

Demand for c
million metric t
market in East
to the market
region over th
continued to c
percent annua
pace of increa
Aggregate sup
Polish construction activity, especially during the early/mid-1990s, with major expansion and upgrade projects being undertaken in the nation's industrial, transportation and mining sectors.

**SAMPLE PAGE**

Text sections support each table's numbers & projections

As in other parts of the region, crushed sto
the largest share of construction aggregate
Poland, followed by sand, gravel and other
Most local producers are formerly state-ow
and include such companies as Kieleckie K
Piasku Kwarcowego Grudzen and Tomasze
Surowców. A number of Western multinat
aggregate mining and processing operation
including Asamer, CRH, HeidelbergCement
Nordkalk, RMC and Tarmac.

Construction aggregates demand in Poland
advance at a 6.2 percent annual pace to 1

### Thailand - Construction Aggregates Demand
(million metric tons)

| Item | 1992 | 1997 | 2002 | 2007 | 2012 |
|---|---|---|---|---|---|
| Construction Fixed Invest | | | | | |
| m tons aggregates/000$ | | | | | |
| | | | | | |
| Construction Aggregates De | | | | | |
| | | | | | |
| By Type: | | | | | |
| Crushed Stone | | | | | |
| Sand | | | | | |
| Gravel | | | | | |
| Other | | | | | |
| | | | | | |
| By Market: | | | | | |
| Nonbuilding Constructio | | | | | |
| Nonresidential Building | | | | | |
| Residential Building | | | | | |

**COUNTRIES/REGIONS**

These Sections provide demand for historical years and forecast growth to 2007 and 2012 for 23 countries and six regions

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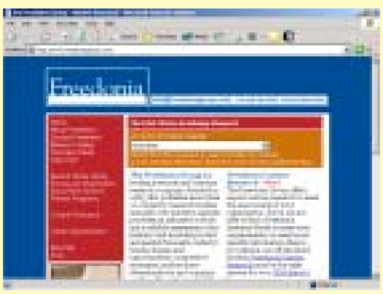


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